



House of Representatives

File No. 854

General Assembly

January Session, 2001

(Reprint of File No. 170)

Substitute House Bill No. 6683
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
June 1, 2001

AN ACT CONCERNING RIGHTS OF CONSUMERS IN TELECOMMUNICATIONS TRANSACTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16-256j of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 All bills for telecommunications services, whether issued by a
4 telecommunications company or by a billing service, shall (1) contain
5 the name of each carrier providing service as well as a toll-free number
6 for customer complaints for each such carrier printed clearly and
7 conspicuously on the portion of the bill relating to each carrier; (2)
8 clearly and conspicuously identify on the bill those charges for which
9 nonpayment will not result in disconnection of basic, local service; and
10 (3) only label a charge as a tax if such tax is directly assessed by the
11 taxing entity on the customer through the telecommunications
12 company, which tax shall appear as a separate charge on such bill.

13 Sec. 2. (NEW) Each telephone company, as defined in section 16-1 of
14 the general statutes, and each certified telecommunications provider,

15 as defined in said section 16-1, shall clearly and conspicuously
16 disclose, in writing, to customers, on a quarterly basis or four times per
17 year, (1) whether the removal or change in an intrastate
18 telecommunications service will result in the loss of a discount or other
19 change in the rate charged for any telecommunications service
20 subscribed to or used by the customer; and (2) for any promotional
21 offering filed on and after October 1, 2001, with the Department of
22 Public Utility Control pursuant to subsection (e) of section 16-247f of
23 the general statutes, that the offering is a promotion and will be in
24 effect for a limited period of time. The provisions of this section shall
25 not apply to any service purchased by a customer from a telephone
26 company or certified telecommunications provider pursuant to a
27 written contract.

28 Sec. 3. The Department of Public Utility Control shall conduct a
29 contested case proceeding pursuant to chapter 54 of the general
30 statutes to investigate whether and under what circumstances each
31 telephone company, as defined in section 16-1 of the general statutes,
32 and each certified telecommunications provider, as defined in said
33 section 16-1, shall be required to provide advance notice to its
34 customers of any change in the services purchased or subscribed to by
35 a customer that results in an increase in such customer's overall
36 monthly bill.

37 Sec. 4. This act shall take effect from its passage, except that sections
38 1 and 2 shall take effect October 1, 2001.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Affected Agencies: Department of Public Utility Control

Municipal Impact: None

Explanation**State Impact:**

The bill as amended expands the types of information that must be included on telecommunications service bills which has no state fiscal impact. Additionally, the bill requires the Department of Public Utility Control (DPUC) to conduct a contested case to investigate whether and under what circumstances DPUC regulated telecommunications companies should be required to provide advanced notice to their customers of any charge that will increase their bills. It is anticipated that the DPUC can conduct this contested case within the normal budgetary resources of the agency, thus there is no fiscal impact.

House "A" makes changes which results in no fiscal impact to the state.

OLR Amended Bill Analysis

sHB 6683 (as amended by House "A")*

**AN ACT CONCERNING RIGHTS OF CONSUMERS IN
TELECOMMUNICATIONS TRANSACTIONS.****SUMMARY:**

This bill expands the types of information that must be included on telecommunications services bills and requires other information to be provided to customers by written notice four times per year. It also requires the Department of Public Utility Control (DPUC) to investigate whether and under what circumstances DPUC-regulated telecommunications companies should be required to provide advance notice to their customers of changes that will increase their bills. DPUC must conduct its investigation as a contested case. Among other things, this means that the Office of Consumer Counsel is entitled to participate in the case as a party, and DPUC must abide by the provisions of the Uniform Administrative Procedure Act regarding *ex parte* communications.

*House Amendment "A" (1) reduces the types of information that must be disclosed on bills and instead requires that some of this information be included in the notices and (2) makes the investigation provisions effective upon passage rather than October 1, 2001

EFFECTIVE DATE: October 1, 2001, except that the investigation provisions are effective upon passage.

TELECOMMUNICATIONS BILLS

The bill requires each telecommunications bill to:

1. clearly and conspicuously disclose those charges for which nonpayment will not result in disconnection of basic, local services; and
2. only label a charge as a tax if it is directly assessed on the customer

through the telecommunications company. Such taxes must appear as a separate charge on the bill.

Each telephone company and certified telecommunication provider (e.g., a long-distance carrier) must clearly and conspicuously disclose to its customers four times per year:

1. whether the removal or change in an in-state service will result in the loss of a discount or other change in the rate charged for any other service the customer subscribes to or uses; and
2. for any promotional offering filed with DPUC after September 30, 2001, that the offering is promotional and will last for a limited time.

These two requirements do not apply if the customer purchased the services under a written contract.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 13 Nay 0